

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 2235 - HB 2109

February 8, 2014

SUMMARY OF BILL: Establishes a four-year pilot program for dual enrollment grants, beginning in FY14-15 and ending in FY17-18, for the purpose of determining the extent of increased program participation as a result of increasing the dual enrollment grant. Beginning in FY14-15 and for the duration of the pilot program, the cost of a course taken through the dual enrollment program shall be fixed at the cost of a dual enrollment course in FY14-15. If new courses become available for dual enrollment credit for FY15-16, FY16-17 and FY17-18, the cost of such courses shall be approximated to similar courses from FY14-15. Sets the dual enrollment grant at \$500 in each of the four years of the pilot program, which shall be paid for with funds from the Lottery for Education Account (LFEA). Requires the Tennessee Higher Education Commission (THEC) to prepare a report on the dual enrollment pilot program and distribute the report to the Education Committees of the General Assembly by December 1, 2017.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures –

\$9,188,800/Lottery for Education Account/FY14-15

**Exceeds \$9,188,800/Lottery for Education Account/Each Year FY15-16
through FY17-18**

Assumptions:

- Based on information received from the Tennessee Student Assistance Corporation, the additional cost, per credit hour, per student, to expand the dual enrollment program is \$374.
- Based on the number of dual enrollment grant recipients for FY12-13 (17,759), and TSAC's estimated number of recipients for FY13-14 (21,364), it is estimated that the number of recipients in FY14-15 will be 24,569, which assumes growth of 15 percent from FY13-14.
- In FY14-15, the increase in state expenditures from the Lottery for Education Account is estimated to be \$9,188,806 (\$374 x 24,569).

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- In FY15-16, FY16-17 and FY17-18, the increase in state expenditures from the Lottery for Education Account is estimated to exceed \$9,188,806 each year.
- THEC will prepare the required report on the dual enrollment pilot program using information from TSAC and other sources. Any increase in state expenditures for this purpose is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read 'Lucian D. Geise', written in a cursive style.

Lucian D. Geise, Executive Director

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